

SECRETARY OF DEFENSE WILLIAM J. PERRY
COMMENT QUOTED IN PRESS REPORT ON HELPING UKRAINE
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Perry Offers More Money To Ukraine

*Aim Is to Disarm
New Weapons First*

By Robert Seely
Special to The Washington Post

KIEV, Ukraine, March 21—Defense Secretary William Perry said today that the United States will provide Ukraine with an extra \$100 million to help dismantle its nuclear arsenal, the world's third largest.

During a day of talks with Ukraine's leaders, Perry praised Ukrainian efforts to dismantle nuclear weapons and convert its defense industry to civilian use, stressing the country's "great strategic importance" to U.S. policy in eastern and central Europe.

Perry's visit here and to three other former Soviet republics—Russia, Kazakhstan and Belarus—is designed to help bolster continued nuclear disarmament. Ukraine, Kazakhstan and Belarus all inherited weapons of mass destruction from the Soviet Union, which had been targeting them at the U.S.

U.S. officials believe that the nuclear disarmament accord signed in January in Moscow among the United States, Ukraine and Russia, has provided the impetus for closer links between Ukraine and the United States. However, Ukraine's deputy prime minister, Valerie Shmarov, told Perry that Russia was not living up to its obligations under the Moscow agreement. Shmarov implied that implementing the treaty could be stalled, threatening the pace of nuclear disarmament in the region.

"We are shipping out our warheads strictly according to the timetable but we are concerned today with the inadequate nature of Russia's actions," Shmarov said after meeting Perry, according to Reuter news agency.

The Ukrainians are angry because the country, which is in a deep and

prolonged energy crisis, is increasingly reliant on nuclear power. Russia, which supplies the fuel rods, also must provide nuclear fuel in exchange for nuclear warheads under the terms of the Moscow accord.

Shmarov, who led the Ukrainian side of the negotiations over the treaty, said that his country had received no nuclear fuel supplies and implied that the treaty could be in jeopardy unless some arrived soon. He said two trainloads of warheads had left the country bound for Russia, although Ukraine had received nothing in return.

U.S. diplomats played down Shmarov's words. One senior Defense Department official said he expected a time lag between Ukraine's transfer of nuclear weapons and the arrival of Russia's supplies of nuclear fuel rods for Ukraine's civilian reactors. "It is our understanding from Russia that there are no problems," the official said.

Ukraine is a key part of what Clinton administration officials describe as a "hedge policy" in the region. Although Russia will always be the prime consideration, the United States is seeking to deepen and strengthen ties with other former Soviet republics, both to promote stability within them and between them.

Perry signed three agreements with Ukraine today worth \$100 million. The money is part of a \$700 million aid package announced during President Leonid Kravchuk's visit to the United States earlier this month.

The first deal announced today, and perhaps the most important from the American point of view, provides \$50 million for the dismantlement of SS-24 intercontinental nuclear missiles and the destruction of silos.

Decommissioning the 46 SS-24 missiles, which carry 10 warheads each, is a U.S. priority because each has an operational life until at least the end of the decade—unlike 130 aging SS-19 missiles whose working lives will end within 18 months. The policy is designed to ensure that Ukraine's most modern missiles are removed first, denying any future Ukrainian government the opportunity to renegotiate the agreement.

Another \$40 million will help Ukraine convert its military-industrial complex to civilian use. The sum will

be divided equally between two projects. The first will convert military bases into housing, which is in chronic shortage in many parts of the country.

The second will help fund business partnerships between U.S. firms and former military industries converting to non-military production. Ukraine has been slow doing so because it is reluctant to change from the Soviet centrally planned economy and because of the promise of easy credits from a government unwilling to take the tough measures necessary for economic reform. Both problems have compounded the country's serious industrial decline, which has left the country on the edge of disintegration, according to some observers.

Perry said another \$10 million will help Ukraine transport and store nuclear materials safely. Ukraine, like other Soviet republics, has very little in the way of advanced safeguards for nuclear material.